



SUMMARIZED MEETING MINUTES

**NEIGHBORHOOD ENHANCEMENT COMMISSION
REGULAR MEETING
Wednesday, November 16, 2005
Civic Center Conference Room
3rd Floor, One Civic Center
7447 E. Indian School Road**

PRESENT: John Shultz, Chairman
Patricia Badenoch, Vice-Chair
Aaron Kern, Commissioner
Jim Pompe, Commissioner
Christine Schild, Commissioner

ABSENT: Lisa Haskell, Commissioner (excused absence)
John Horwitz, Commissioner (excused absence)

STAFF: Raun Keagy
Joanie Mead

GUESTS: Jim Lane, City Council Member
Ed Gawf, Assistant City Manager

CALL TO ORDER/ROLL CALL

Chairman Shultz called the meeting to order at 5:33 p.m. A roll call confirmed the presence of Commissioners as noted above.

1. Introduction of new Commissioner—Aaron Kern

Chairman Shultz introduced new Commissioner Aaron Kern. Commissioner Kern informed the Commission that he has been a resident of Scottsdale for 11 years and that he appreciates this opportunity to give back to the community.

In response to inquiry by Commissioner Badenoch, Commissioner Kern explained that he is a newlywed, working full-time as a commercial real estate broker who started out as a corporate pilot. Councilman Littlefield recommended this Commission to him.

2. Approval of October 5, 2005 Minutes

Commissioner Shultz pointed out a correction needed on page 5 of the October 5, 2005 Minutes—paragraph 6 under number 6, Schultz should be changed to Shultz.

CHAIRMAN SHULTZ MOVED TO APPROVE THE MINUTES OF THE OCTOBER 5, 2005 MEETING. COMMISSIONER POMPE SECONDED THE MOTION, WHICH CARRIED WITH A UNANIMOUS VOTE OF 5 (FIVE) TO 0 (ZERO).

3. Presentation and Discussion Regarding the McDowell Scottsdale Corridor Update

Ed Gawf began the discussion by informing the Commission that City Council Member Jim Lane had accompanied him to this meeting to observe. Mr. Gawf recalled that he had spoken with the NEC several months ago about revitalization efforts and promised that he would return with an update.

Mr. Gawf reported that many things are happening in the McDowell Scottsdale Corridor and he would like the Commission to interject their feedback and comments throughout his presentation.

Mr. Gawf directed attention to a PowerPoint presentation. Highlights of the presentation included the Los Arcos Shopping Center that is now ASU Scottsdale. The main development area of 37-acres has been rezoned to the planned community district. Mr. Gawf pointed out that Bank One (who is now Chase) is anticipated to be part of the new development.

Vice-Chair Badenoch inquired as to the status of the first two sections and expressed favor towards the east/west positioning of the buildings, noting that most of the light is coming from north/south. She further inquired regarding the longevity of the buildings and opined that the architecture is mundane and lacks creativity.

Mr. Gawf explained that the four blank sections are part of the first phase, according to the approved plan. The plan has building envelopes surrounding the four quadrants in a U-shape with temporary parking in the middle. The Lease Agreement designates that once 300,000-400,000 square feet is reached, the temporary parking will be removed. The buildings are approximately 157,000 square feet each, but are only required to be 150,000 square feet.

Mr. Gawf further explained that the following occurs before building: zoning is approved denoting where building will occur, how much building can occur, the height, parking, and the landscaping in the public areas. Each building in this project will have four floors total. The first floor will be retail.

Mr. Gawf pointed out the transition areas identified on the slide and noted that everything on the slide is intended to be included in the first and second phase. There are three public gathering places (plazas) planned, two of which are part of the first phase. The first plaza will be at Scottsdale Road and the Boulevard and

the second plaza will be at 74th St. and the Boulevard. Approximately 90-95% of the public landscaping open space will be completed in Phase I.

Mr. Gawf addressed disposable neighborhoods and revitalization, commenting that, as a developer, when looking at the Papago light on Scottsdale Road, he sees potential. Perspective tenants see something different, such as Skin Cabaret, rundown housing, check cashing places, et cetera. He stated that this area is intended to be Class A office buildings with a leasing rate of approximately \$25 per square foot, comparable to Tempe Town Lake, which is approximately \$29-\$30 per square foot.

Discussion ensued regarding what types of businesses are being considered for the McDowell/Scottsdale Corridor, as well as the designation of space to be utilized by ASU.

Mr. Gawf and Chairman Shultz discussed parking garages. In response to a question by Commissioner Pompe, Mr. Gawf clarified that parking regulations will be made prohibiting students from parking for free since structured parking costs about \$10,000-\$12,000 per space. Mr. Gawf further noted the planned alternative shuttle system between ASU, the light rail station, and Rural and Apache.

Mr. Gawf reported that an aggressive site preparation is scheduled for January 2006 and the building groundbreaking is in March 2006. The first phase of this project goes to the Development Review Board on November 17th, continuing on to the Planning Commission for Skysong on November 30, 2005, finally reaching Council for approval on December 13, 2005. A detailed model will be presented at the DRB on Thursday.

Mr. Gawf stressed that the project must be something very dramatic and memorable. ASU selected Higgins Development Company for this project, along with architects Pei Cobb Freed & Associates.

While highlighting sections of the McDowell/Scottsdale Corridor, Mr. Gawf compared the planned water wall to Paley Park in New York City. He reported that the water will come from the condensation of the air conditioning units, which is also being recycled to irrigate plants and landscaping.

In response to inquiry by Councilman Lane, Mr. Gawf explained that Skysong is a ceramic material that is 37% porous, having a low maintenance cost and lasting a lifetime.

Mr. Gawf identified that doing something about the vacant lot in the Los Arcos area is extremely important to the revitalization efforts. The rebuilding of Coronado High School is equally important. Discussion ensued regarding the importance of schools, commercial, and residential growth.

Vice-Chair Badenoch expressed hopes that revitalization will increase market values. Mr. Gawf noted that the revitalization efforts are already improving values. Mr. Gawf further outlined additional revitalization efforts, including a zoning overlay from McKellips to Earl.

Discussion followed regarding comparable developments, benefits and detriments of elements such as second floor balconies, water walls, satellite offices, paint scheme colors, and building heights.

Mr. Gawf stressed the importance of this project and requested the Commission's support.

Mr. Gawf recalled that a previous historic preservation designation of two neighborhoods doubled the value of its improvements by reinvesting in single-family homes. Mr. Gawf highlighted attendance at a recent meeting in the Los Arcos neighborhood, wherein 50 City volunteers visited 593 homes and distributed packets consisting of information on what's happening, new programs, rebates, ASU Scottsdale Newsletter. This event was followed by a picnic in the park. Mr. Keagy distributed the packet of information to each Commission Member.

Commissioner Pompe inquired about the ownership of the whole project. Mr. Gawf explained that the City of Scottsdale owns the land and has entered into a long-term lease with ASU-Foundation, who has entered into a contract with Higgins Plaza to develop this \$300 million investment. USAA has agreed to underwrite the investment.

Commissioner Kern inquired about future plans for monument signage. Mr. Gawf explained that illustrations of signage have been shown and they will be under separate approval.

Commissioner Kern pointed out the worst performing retail in Arizona, opining that he hasn't seen any place where this type of project has worked. Further discussion addressed the types of businesses, such as banks, restaurants, coffee shops and copy centers, that will support the revitalization and ensure success of the project.

Referring to the Potential Community slide displaying diagrams of Phases I & II and Lowe's streetscape, Mr. Gawf explained that the quality required at the Promenade will be insisted upon here. Mr. Gawf reported that the streetscape improvements have begun. Phase I is near completion. Phase II has commenced at the auto dealerships. Christy Tunike will redesign in Phase III to fit it with ASU Scottsdale, and in Phase IV, Bill Heard is building a new place at Pima.

Vice-Chair Badenoch expressed concerns regarding public art, requesting more lead time before artist selection. Upon further discussion, the consensus of the meeting is that art is open to interpretation.

Chairman Shultz expressed appreciation for Mr. Gawf's attendance and the City's commitment to stay the course.

Mr. Gawf reported that \$3,500,000 has been allocated for the transit facility previously discussed. A study is being done on rapid transit to determine the best suitable type for integration.

In closing, Mr. Gawf again requested the Commission's support for the project.

In response to inquiry by Chairman Shultz regarding building rezoning for single-family homes allowing homeowner remodeling, Mr. Gawf replied that previous zoning requirements were for 6,000 square foot lots and new zoning is for 7,000 square foot lots. Mr. Gawf committed to have this item placed on the Planning Commission agenda for a presentation in January 2006 .

Chairman Shultz pointed out that the Commission previously submitted a recommendation regarding front yard parking. Mr. Keagy explained that the Commission cannot take legal action by submitting a motion but may demonstrate its overall support of this project via a letter to the City Council, if there is a consensus among the Commission. If the Commission wants to make a recommendation, it will have to take legal action.

Commissioner Schild expressed concern regarding the absence of two Commissioners, further noting a desire to hear more information. She opined that this should not be rushed through before it goes to the DRB. Mr. Keagy noted that the Commission can create a more powerful recommendation by putting it on the agenda as an action item. Upon inquiry by Chairman Shultz, the consensus of the Commission is to place the item on the December agenda.

4. Discussion and Possible Commission Action on Changes to the Neighborhood Enhancement Partnership (NEP) Program Guidelines and Application Process

Raun Keagy noted that the audit of the NEP Program will soon be completed. He pointed out that very specific recommendations have been shared with the Commission regarding the ability of the this Commission to make these recommendations.

Mr. Keagy emphasized that it is premature at this point to continue to talk about the specifics of the guidelines until completion of the audit at the end of November. Upon completion, the audit will go before the Audit Committee, which consists of Council Members Littlefield, Lane, and Ecton. It will then continue on to Council as information, and finally go public. The audit will result in specific recommendations that will affect how this Commission does its job. The Bylaws do not specifically spell out that the Commission is charged with making recommendations on matching fund programming.

Commissioner Schild pointed out that the Commission would be authorizing the expenditure of money, which bypasses their oversight. Mr. Keagy stated that it is prudent to wait until the issue is presented to City Council, identifying what the Commission will be taking action on. City Council can then authorize the Commission's ability to make those recommendations.

Commissioner Schild requested that Mr. Keagy keep the Commission informed as to when this will go before the Audit Committee.

Mr. Keagy noted that the Commission has had an allocation of \$75,000 for the past year, and that a discussion should be held as to whether that amount is sufficient, as well as the types of projects the Commission wants to consider. He

further noted that an additional huge project related to revitalization is underground utilities.

Vice-Chair Badenoch stressed the importance of water and pipes, and opined that it would be better to replace the piping than repairing it, resulting in cleaner and healthier water.

Mr. Gawf added that things change as the City ages and suggested that the Commission may be expected to wrestle with identifying the priorities in that regard.

Commissioner Schild suggested that perhaps the Commission should take on non-HOA fence painting as a priority. Chairman Shultz opined that the Commission is in need of clearer guidelines from a superior board. Further discussion identified that the Commission refrain from discussing specifics until its abilities and available actions have been determined.

Chairman Shultz pointed out that Councilmen Osterman and Lane have taken a keen interest in the Commission and would like the Commission to be **more** involved in revitalization.

5. Staff and Commission Updates (A.R.S. § 38-431.02 (K))

Chairman Shultz reported that he has a scheduling conflict and the only day open for Commission meetings would be the 3rd Thursday of each month. He also confirmed that he will not be able to attend the December meeting. Discussion addressing this conflict resulted in an agreement to change the Commission's formal meeting date to the third Thursday of the month, with the second Thursday as a fall back date.

Mr. Keagy noted that the Commission will have to amend the Bylaws in December before taking any action on the change in meeting date. Discussion ensued regarding the process.

Ms. Mead addressed the Commission's budget update while distributing new material depicting what has been paid out over the past month. The report highlights approved projects (excluding Rock the House). Ms. Mead noted a current balance of \$54,123 as of October 5, 2005. She further explained that the noted balance does not include four Rock the House orders and a couple of NEP funding requests that have yet to be processed.

Ms. Mead noted the Scottsdale breakfast series. Chairman Shultz and Commissioner Schild confirmed that they will attend.

Ms. Mead distributed new rebate brochures from the Water Conservation Office, which cover landscape yard irrigation controllers and turf removal for residential customers.

Ms. Mead also distributed an updated Commission roster including Commissioner Kern.

Commissioner Schild reported that the Pima Elementary School project was held last Saturday wherein trees were planted, boulders were laid out, and the neighbors were jazzed about the new shade and uplift to the community. She thanked the Commission for approving that project.

6. Open Call to the Public (A.R.S. § 38-431.02)

No members of the public wished to address the Board.

7. Next Meeting Date and Future Agenda Items

Ms. Mead informed the Commission that the next meeting date is Wednesday, December 7, 2005. There are currently ten NEP cases on the agenda. Applicant packets are expected to be delivered next week.

ADJOURNMENT

With no further business to discuss, being duly moved and seconded, the meeting adjourned at 7:21 p.m.

Respectfully submitted,
A/V-Tronics, Inc.